

Regular Meeting

Agenda Item #	5
Meeting Date	July 27, 2015
Prepared By	Suzanne R. Ludlow City Manager

Discussion Item	Resolution Regarding Comments on the Comcast Cable Television Franchise
Background	<p>Takoma Park is served by three cable television companies: Verizon, Comcast and RCN. The City has a franchise agreement with each that governs how they operate and what amounts they pay for the right to be in the City rights of way and sell their services to the public. Because telecommunications law is remarkably complex and monitoring their services requires staff, all municipalities in Montgomery County except Gaithersburg rely on Montgomery County (through a Memorandum of Understanding) to negotiate the franchise agreements, coordinate fiber distribution, and oversee customer service. In order to protect the interests of the municipalities, separate legal counsel advise the municipalities as to the terms of the MOU with Montgomery County and any additional terms for the final franchise agreements that each municipality signs with each of the cable television companies.</p> <p>Over the past few years, franchise agreement negotiations have been underway with both Comcast and RCN. Montgomery County staff and their specialized legal counsel have negotiated tentative agreements with both. The Verizon franchise is not due to be renegotiated for seven years.</p> <p>A County Executive public hearing is scheduled on August 3 at 7:00 pm on the proposed Comcast agreement. Municipal representatives were presented with unofficial proposed terms for a revised MOU between the County and the municipalities at a meeting on July 23. This MOU would change the amount of money to be received by the municipalities from the Comcast agreement and, potentially, from the Verizon agreement. Information on monies from the RCN proposed agreement were not included in the presentation because there are few RCN subscribers in the County and, of the municipalities, only Takoma Park receives any money from RCN.</p> <p>Because information affecting municipalities has been received so late and the proposal requires study by staff, attorneys and Councilmembers, Takoma Park testimony for the August 3 public hearing will be focused on statements about what Takoma Park wishes to see out of the Comcast franchise agreement and related MOU with Montgomery County.</p> <p>It is staff's recommendation that the testimony:</p> <ul style="list-style-type: none"> • Indicate support for the pro-consumer elements of the proposed Comcast agreement, including an additional location on the eastern side of Montgomery County for obtaining/returning equipment, and continued free service to a number of non-profit organizations and government agencies • Indicate support for the settlement agreement that will allow all of the PEG (Public/Educational/Government) grant of 3% of gross revenue to be used

	<p>for operating costs, providing a match is made for two-thirds of the amount</p> <ul style="list-style-type: none"> • Indicate concern that discussions regarding the revenue distribution between the County and the municipalities have only just begun and need to be resolved before the City can determine whether or not it will sign the franchise agreement with Comcast and the MOU with Montgomery County • Indicate concern that discussions regarding Takoma Park's access to an HD channel have not yet occurred • Strongly urge that the municipalities have a vote on the PEG Governance Board so that municipal interests can be represented when recommendations are made regarding use of HD channels, channel operations, etc. • Request that payment of the legal fees for the legal counsel used by the municipalities be paid, as they have been for previous negotiations on franchise agreements • Request that provisions be included in the Comcast franchise agreement that Comcast remove wires from properties that cease using Comcast equipment within thirty days of the end of service • Request that provisions be included in the Comcast franchise agreement that Comcast have an easy-to-locate phone number that non-customers may call to report a problem with a Comcast wire or damage to property by Comcast employees.
Policy	The Council is interested in having Takoma Park residents receive good and reasonably priced cable services, in having video coverage of Takoma Park Council meetings and other broadcasts of public interest be accessible to the public, and in having the City of Takoma Park fairly compensated for the use of its rights of way.
Fiscal Impact	n/a
Attachments	Draft resolution; public hearing notice
Recommendation	Adopt resolution
Special Consideration	

Introduced By:

RESOLUTION #2015-xx

Resolution Commenting on Proposed Comcast Franchise Agreement

- WHEREAS, Montgomery County will be holding a public hearing to receive input regarding terms for a renewal of a cable franchise from Comcast of Potomac, LLC; and
- WHEREAS, the City of Takoma Park will also be considering the terms of renewal of the cable franchise with Comcast of Potomac, LLC
- WHEREAS, under terms of a Memorandum of Understanding (MOU) between the City of Takoma Park and Montgomery County, Montgomery County undertakes the bulk of the complex franchise negotiations, coordinates fiber distribution and oversees cable company customer service; and
- WHEREAS, negotiations related to the MOU between the City of Takoma Park, most other Montgomery County municipalities and Montgomery County have only just begun but are closely tied to the provisions of the proposed franchise agreement with Comcast; and
- WHEREAS, it is in the City's interest to express its needs from the franchise agreement with Comcast and the MOU with Montgomery County at the public hearing on August 3; and
- WHEREAS, the following points shall be included in the testimony for the City:
- The City supports the pro-consumer elements of the proposed Comcast agreement, including an additional location on the eastern side of Montgomery County for obtaining/returning equipment, and continued free service to a number of non-profit organizations and government agencies
 - The City supports the proposed settlement agreement that will allow all of the PEG (Public/Educational/Government) grant of 3% of gross revenue to be used for operating costs, providing a match is made for two-thirds of the amount

- The City is concerned that discussions regarding the revenue distribution between the County and the municipalities have only just begun and need to be resolved before the City can determine whether or not it will sign the franchise agreement with Comcast and the MOU with Montgomery County
- The City is concerned that discussions regarding Takoma Park's access to an HD (high definition) channel have not yet occurred
- The City strongly urges that Montgomery County municipalities have a vote on the PEG Governance Board so that municipal interests can be represented when recommendations are made regarding use of HD channels and related operations
- The City requests that payment of the legal fees for the legal counsel used by the municipalities be paid, as they have been for previous negotiations on franchise agreements
- The City requests that provisions be included in the Comcast franchise agreement that Comcast remove wires from properties that cease using Comcast equipment within thirty days of the end of service
- The City requests that provisions be included in the Comcast franchise that require Comcast to have an easy-to-locate phone number that non-customers may use to report a problem with a Comcast wire or damage to property by Comcast employees.

NOW, THEREFORE, BE IT RESOLVED THAT the Council of the City of Takoma Park directs the City Manager to prepare testimony conveying the position of the City of Takoma Park, as indicated above, for the August 3 public hearing on the proposed franchise agreement with Comcast of Potomac, LLC.

ADOPTED THIS ____ DAY OF ____, 2015.



DEPARTMENT OF TECHNOLOGY SERVICES

Isiah Leggett
County Executive

Harash (Sonny) Segal
Chief Information Officer

PUBLIC HEARING NOTICE

PUBLIC HEARING
Monday, August 3rd, 2015
At 7:00 PM
County Executive Office Building
Lobby Level Auditorium
101 Monroe Street, Rockville, Maryland

CABLE TELEVISION FRANCHISE

Montgomery County has received an application for a renewal of a cable franchise from Comcast of Potomac, LLC.

In accordance with Section 8A-22 of the Montgomery County Code, a public hearing has been scheduled to receive input regarding the application. This hearing will be conducted jointly with participating municipalities pursuant to requirements of applicable local ordinances.

Copies of the application and related public documents are available on the internet at www.montgomerycountymd.gov/cable/comcastrenewal.html or are available for inspection in the Department of Technology Services, Cable Office, 100 Maryland Ave., Suite #250, Rockville, MD.

Individuals may either testify in person at the public hearing or provide written comments for the record. To pre-register to testify at the hearing, contact the County's Cable Office at 240-777-3762. Written comments may be submitted through 5:00 PM on Monday, August 10th, 2015, or as otherwise directed by the Hearing Officer. Comments should be mailed or delivered to DTS-Cable Office, 100 Maryland Ave., Suite #250, Rockville, MD 20850. Comments may also be submitted via email to Marjorie.williams@montgomerycountymd.gov.

Interpreter services are available for deaf or hearing impaired citizens with five (5) working days advance notice. Call 240-777-3762 or email Marjorie.williams@montgomerycountymd.gov giving the name and telephone of the requesting resident and the type of interpreter services needed.